

COMMONWEALTH OF VIRGINIA
BEFORE THE
STATE CORPORATION COMMISSION

PETITION OF

CAVALIER TELEPHONE, LLC

CASE NO. PUC-2002-00088

For Injunction Against Verizon
Virginia Inc. for Violations of
Interconnection Agreement or
For Expedited Relief to Order Verizon
to Provision Unbundled Network
Elements in Accordance with the
Telecommunications Act of 1996

COMMISSION STAFF BRIEF

The Order Directing Investigation issued in this case on October 28, 2002, directed the Commission Staff ("Staff") to investigate Verizon Virginia Inc.'s ("Verizon") policies and practices in provisioning DS-1 UNE loops to Cavalier Telephone, LLC ("Cavalier").¹ The Order Directing Investigation further provided that a brief on any legal issues relevant to Staff's investigation may be included with the filing of Staff's report of its investigation. The Office of General Counsel ("OGC") submits this brief as part of Staff's report of the ordered investigation.

¹ The Staff Report defines DS-1 UNE loop at p. 16. All references to the DS-1 UNE loop are to Verizon's (formerly Bell Atlantic-Virginia's) DS-1 UNE loop that was priced under TELRIC in the Final Order issued April 15, 1999, in Case No. PUC-1997-00005 ("UNE Rate Order").

The chief legal issue raised by the parties is what jurisdiction, if any, this Commission may exercise over Verizon in provisioning DS-1 UNE loops to competitive local exchange carriers ("CLECs"). It is agreed by all parties and Staff that Verizon must comply with the Telecommunications Act of 1996 ("Act")² and applicable federal law (FCC orders and rules, and pertinent federal case law) in the provisioning of DS-1 UNE loops. The jurisdictional issue arises over whether this Commission may exercise jurisdiction under the applicable laws of the Commonwealth of Virginia that are not preempted by the Act and pertinent federal law. Therefore, this brief will address the extent of federal preemption of Virginia law and of this Commission's regulation of DS-1 UNE loops under state legal authority.

The Commission is not preempted by Federal law.

Verizon maintains that the Commission is already preempted by federal law from addressing Verizon's policies and practices in provisioning DS-1 UNE loops to CLECs. However, to the extent that the federal law discussed below does not otherwise prescribe Verizon's obligations to furnish DS-1 UNE loops, the Act provides for residual jurisdiction to be exercised by the state commissions.

² P.L. 104-104 (February 8, 1996).

The Commission does have the authority, as recognized by § 251(d)(3) of the Act, to establish "access and interconnection obligations of local exchange carriers," so long as the Commission's actions are consistent with the other requirements of § 251 and do not substantially prevent implementation of § 251 or the purposes of the Act. There is no apparent explicit federal prescription of the provisioning practices at issue here. Therefore, this Commission may hear Cavalier's petition, investigate Verizon's provisioning practices, and issue an Order consistent with state and federal law.

The FCC, in its *Third Report and Order*, recognized that § 251(d)(3) of the Act provides states with the authority to establish additional unbundling obligations, so long as those obligations comply with subsections 251(d)(3)(B) and (C).³ Verizon Virginia, however, claims that, "states may no more add to the unbundling obligations imposed by the FCC than they may subtract from them."⁴ Verizon is only half-wrong: the language of § 251(d)(3) plainly articulates that states may establish additional access obligations (Verizon is, however, correct that states may not remove UNEs from the national list established by

³ See *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696 at ¶ 153 (1999). ("UNE Remand Order") (remanded in *USTA v. FCC*, 290 F.3d 415 (D.C. Circ., 2002))

⁴ Verizon's *Reply Comments* in Case No. PUC-2002-00088 ("Reply Comments") at p. 11 (filed December 30, 2002).

the FCC)⁵. Indeed, the FCC has codified the standards states are to apply when adding elements to the national list: this "necessary and impair" standard is set forth at 47 C.F.R. § 51.317. Clearly the Act contemplates, and the FCC acknowledges, that states have a role to play in setting UNE obligations.

As the FCC stated in its *UNE Remand Order*, § 251(d)(3) "allows state commissions to establish access obligations of local exchange carriers that are consistent with our rules implementing section 251."⁶ Indeed, several other states have taken the opportunity to add to the list of UNEs: for example, the Public Service Commission of Wisconsin determined that Ameritech's entire Broadband Service Offering ("Project Pronto," basically DSL service) should be unbundled on an end-to-end basis, including packet switching and loop components.⁷

Of course, while there may be FCC rules with which conflict must be avoided, the Commission, at a fundamental level, is not precluded from hearing Cavalier's complaint or from granting any appropriate relief.

⁵ See *UNE Remand Order* at ¶ 157 ("We conclude that, at this time, removing network elements from the unbundling obligations established in this Order on a state-by-state basis would not be consistent with the goals of the 1996 Act.")

⁶ *UNE Remand Order* at ¶ 154 (citation omitted).

⁷ *Investigation into Ameritech Wisconsin's Unbundled Network Elements*, Docket No. 6720-T1-161, Final Decision at p. 141 (rel. March 22, 2002) (available at http://psc.wi.gov/pdf/files/ord_notc/4534.pdf).

Federal law does not mandate Verizon's policy.

Verizon maintains that its present practice in provisioning DS-1 UNE loops is fully supported by the federal law it cites. Verizon's statement of its "no facilities" policy was given in its Reply Declaration in Case No. PUC-2002-00046 (*In the matter of Verizon Virginia Inc.'s compliance with the conditions set forth in Section 271(C) of the Telecommunications Act of 1996*): "Verizon VA does not have an obligation to build new facilities or add electronics to existing facilities for the purpose of providing those facilities as an unbundled element."⁸ Or, perhaps as more simply stated by Verizon Virginia's President, Verizon is only required to "give CLECs access to its existing network, not to an as-yet unbuilt one."⁹

Verizon cites various provisions of the Telecommunications Act of 1996, FCC rules and case law in support of its "no facilities" policy and its particular implementation of this policy. Verizon claims that its no facilities policy is "consistent with" – and even exceeds – all applicable legal requirements.¹⁰ Verizon states that the "Eighth Circuit and the FCC have clearly held that Verizon is not required to construct

⁸ Verizon's *Reply Checklist Declaration* in Case No. PUC-2002-00046 at ¶ 79 (filed June 17, 2002).

⁹ Letter from Robert W. Woltz, Jr., President, Verizon Virginia, to William Irby, Director, Division of Communications, State Corporation Commission, dated September 6, 2002 at ¶ 2. See Attachment A to Staff Brief.

¹⁰ Verizon's *Motion to Dismiss, Answer and Affirmative Defenses* in Case No. PUC-2002-00088 ("Motion to Dismiss") at p. 4 (filed May 10, 2002).

new UNEs for CLECs and then make them available as UNEs at TELRIC rates" ¹¹ However, OGC's examination of Verizon's cited authorities suggests that the matter is not as "clear" – or as favorable to Verizon – as Verizon claims.

Verizon cites the FCC's statements regarding transport facilities as being dispositive of the Commission's authority to rule on Verizon's DS-1 UNE loop policy and practices. Verizon begins by arguing that the FCC only requires an ILEC to unbundle "existing" interoffice facilities. Verizon Virginia cites the FCC's *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996* order ("First Report and Order") ¹² as its authority, and excerpts the following quote: "we [the FCC] expressly limit the provision of unbundled interoffice facilities to existing incumbent LEC facilities." ¹³ What Verizon Virginia fails to mention when quoting this passage is that the quote is excerpted from the section of the *First Report and Order* titled, "Interoffice Transmission Facilities" ("ITF"). ITFs are analogous to electric transmission lines, while local loops (such as DS-1s) are analogous to electric distribution lines. The OGC concludes that Verizon has used the above-stated quote taken from the "transmission" context of the FCC's *First*

¹¹ Verizon's *Reply Comments* at n. 11 (citations omitted).

¹² 11 FCC Rcd 15499 (1996).

¹³ *First Report and Order* at ¶ 451 (emphasis in original). (quoted by Verizon in Verizon's *Motion to Dismiss* at n.10)

Report and Order to bolster its position in the "distribution" context. In other words, when the FCC speaks of limiting the provision of unbundled facilities to existing ILEC facilities, it is really talking about transport-like facilities, not necessarily local loop facilities like the DS-1 loops at issue in the instant case. Simply stated, Verizon's quoted authority is out of context, or misapplied, here.

The FCC, by not requiring ILECs to construct new transport facilities at the request of a CLEC and then provision those transport facilities at UNE rates, recognized the unique status and composition of transport facilities, as opposed to local loop facilities. Whereas it may be duplicative and prohibitively burdensome for a CLEC to build parallel local loop facilities where the ILEC already serves customers, transport facilities are by their very nature far more cost efficient. Transport facilities aggregate services from many loops, thereby reducing the cost of serving one customer to a fraction of the cost of the necessary loop facilities. Transport facilities enjoy advantages of technology that are not useful in loop facilities.¹⁴

Verizon, in the same vein, goes on to cite another FCC order to support its view that ILECs need not "build" where facilities do not "exist": "we do not require incumbent LECs to

¹⁴ See Staff Report at p. 17.

construct new transport facilities to meet specific competitive LEC point-to-point demand requirements for facilities that the incumbent LEC has not deployed for its own use."¹⁵ This time, Verizon implicitly recognizes that the FCC's above-quoted statement concerns transport, but Verizon goes on to posit, "There is no logical basis for distinguishing loops from transport."¹⁶ As the Staff Report explains, there is in fact a logical, factual and practical basis for distinguishing loops from transport.¹⁷

Verizon also relies upon the Eighth Circuit's decisions regarding the construction of a "superior network" to rebut Cavalier's complaint in this case. Verizon invokes *Iowa Utilities Bd. v. FCC*¹⁸ as additional authority for its policy, arguing that where the Eighth Circuit stated, ". . . subsection 251(c)(3) implicitly requires unbundled access only to an incumbent LEC's existing network – not an unbuilt superior one,"¹⁹ the Court meant that an ILEC need only provision existing network elements as UNEs, and need not build any UNE not already in existence. OGC concludes that Verizon's reading of the

¹⁵ *UNE Remand Order* at ¶ 324. (quoted by Verizon in *Verizon's Motion to Dismiss* at n.10)

¹⁶ *Verizon's Motion to Dismiss* at n.10.

¹⁷ *See Staff Report* at 17.

¹⁸ 120 F.3d 753 (8th Circ. 1997), *aff'd in part, rev'd in part and remanded*, *AT&T v. Iowa Utils. Bd.*, 525 U.S. 366 (1999).

¹⁹ *Id.* at 813 (quoted by Verizon in its *Reply Comments* at n.11)

Eighth Circuit's opinion (which Verizon reads in the light most favorable to itself) misconstrues the quote. What Verizon fails to note is that the quote is excerpted from the portion of the Eighth Circuit's opinion titled, "Superior Quality Rules 51.305(a)(4), 51.311(c)." In this section, the Eighth Circuit dealt with the FCC's decision – as set forth in its *First Report and Order* – to require ILECs to provide UNEs at higher levels of quality than the ILECs provided to themselves. This view, that ILECs had to build a technically superior network at the request of CLECs, was rejected by the Eighth Circuit. Thus, it is true ILECs need not provide a "superior" network to requesting CLECs. The emphasis of the quote, therefore, is properly on "superior," and not on "unbuilt," as Verizon suggests. The Eighth Circuit's reference to "existing network" in the excerpted quote is circumscribed by the type of network ("superior"), and is not merely a reference to the network's physical existence.

Therefore, while the FCC's statement means that Verizon may not have to build a technically or technologically superior network at the behest of a CLEC, it does not necessarily mean that Verizon does not have to engage in activities that allow CLECs access to the customers served by the local loop. Cavalier, in this case, is not asking for a superior loop to be constructed, it is asking that Verizon provision the current level of network service as a DS-1 UNE loop.

Verizon relies upon the FCC's comments in other states' § 271 proceedings in support of its argument that this Commission is precluded from ruling on Verizon's DS-1 policy and practices. Beyond the overstated quotes and interpretations found by the OGC in the above-cited federal authorities, Verizon also maintains that its no facilities policy "is consistent with current FCC rules."²⁰ To support its contention that the FCC has not found Verizon Virginia's policy to be objectionable, Verizon points to the FCC order granting the Company's Pennsylvania 271 application.²¹ Verizon Virginia quotes the FCC as saying, "We disagree with commenters that Verizon's policies and practices concerning the provisioning of high capacity loops, as explained to us in the instant proceeding, expressly violate the Commission's unbundling rules."²² Although Verizon omits mention of this, the FCC said in the same paragraph, ". . . new interpretative disputes concerning the precise content of an incumbent LEC's obligations to its competitors, disputes that our rules have not yet addressed and that do not involve per se

²⁰ Verizon's *Motion to Dismiss* at p. 2.

²¹ *In the Matter of Application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization To Provide In-Region, InterLATA Services in Pennsylvania*, CC Docket No. 01-138, FCC Document No. 01-269 (adopted September 19, 2001) (available at 16 FCC Rcd 17419). ("PA 271 Order")

²² *Id.* at ¶ 92. (emphasis added) (quoted by Verizon in Verizon's *Motion to Dismiss* at n.2.)

violations of the Act or our rules, are not appropriately dealt with in the context of a section 271 proceeding."²³

The above-quoted excerpts do not necessarily represent the FCC's acceptance of Verizon's policy. Indeed, the FCC's statement is qualified and equivocal: "as explained to us" and "per se violations" are statements that reflect the rather limited view the FCC took of CLEC complaints on this matter in a 271 proceeding. Simply, the FCC noted that a 271 proceeding is not the proper forum to settle the "no facilities" dispute – a view that Verizon shares.²⁴ The FCC did not robustly examine the no facilities policy while it quickly ran the 271 track. The FCC's avoidance of this issue presents this Commission with the timely opportunity to address it, and the Commission is not otherwise prevented from doing so by present federal law.

Verizon next maintains that it does not have to construct network elements for the "sole purpose" of unbundling those elements at TELRIC prices. Verizon quotes, in part, another FCC order that states, "Verizon is also correct that the Act does not require it to construct network elements . . . for the sole purpose of unbundling those elements for AT&T or other

²³ *Id.* (italics in original, citation omitted.)

²⁴ See *Brief of Verizon Virginia Inc., In the Matter of Verizon Virginia Inc.'s Compliance with the Conditions Set Forth in 47 U.S.C. § 271(c)*, Case No. PUC-2002-00046, at 33-34 (filed July 1, 2002).

carriers."²⁵ Again, Verizon offers this in support of its view that it does not have to construct new UNEs for CLECs at TELRIC rates. That is true, for so far as it goes.

In fact, setting aside what "construct" means, the above-quoted passage merely recognizes that there are limits on what a CLEC can get an ILEC to do. In this instance, the FCC is clearly recognizing that CLECs cannot force an ILEC to build a network element for the sole purpose of provisioning that element as a UNE. Of course, network elements can be constructed or provisioned as a UNE if there is another, either independent or additional, purpose. For example, in the same FCC Virginia Arbitration Order, at ¶ 499, n.1658, the FCC states in part:

Verizon cannot refuse to provision a particular loop by claiming that multiplexing equipment is absent from the facility. In that case, Verizon must provide the multiplexing equipment, because the requesting carrier is entitled to a fully-functioning loop. So too is it for dedicated transport. (emphasis added)

This footnoted explanation of the FCC's finding appears to be the FCC's recognition of Verizon's obligation to make provisioning modifications to its facilities, "to the extent

²⁵ *In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration, et al.*, CC Docket No. 00-218, et al., Memorandum Opinion and Order (rel. July 17, 2002) ("FCC Virginia Arbitration Order"), at ¶ 468. (quoted by Verizon in its *Reply Comments* at n.11)

necessary to accommodate interconnection or access to network elements."²⁶ This obligation to modify its facilities is to fulfill Verizon's duties as set out in §§ 251(c)(2) and 251(c)(3) of the Act, as interpreted by the FCC in the Virginia Arbitration Order. Thus, the FCC's interpretation of Verizon's obligation under the Act is at odds with the no facilities policy that Verizon claims to be supported by the FCC.

As we note later in this brief in our discussion of state law, Verizon, as an ILEC, does have duties concomitant with its status as the carrier of last resort; duties that include building out the network to serve the market. Once those facilities are constructed, for the purpose of serving the market as the carrier of last resort, CLECs may access those elements at UNE rates. Of course, the FCC has not preempted the states' role in overseeing an ILEC's "ability to serve as the carrier of last resort."²⁷

Anticipated FCC action does not preclude this Commission from acting.

Verizon relies upon pending release of the FCC Triennial Review²⁸ to warrant delay by this Commission in its investigation.

²⁶ FCC's First Report and Order, ¶ 198, endorsed by the Eighth Circuit in *Iowa Utilities Bd. v. FCC*, 120 F. 3d 753, 813 at n.33.

²⁷ FCC *Virginia Arbitration Order* at ¶ 467.

²⁸ *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, Notice of Proposed Rulemaking, CC Docket Nos. 01-339, 96-98, 98-147, released December 20, 2001.

Verizon urges that, even if the Commission is not preempted by current federal law, it should wait until after the release of the FCC's Triennial Review before it deals with Cavalier's complaint. Verizon postulates that the results of the Triennial Review will definitively address the issues presented in this case, in either the issuance of national standards, or by expressly preempting states' authority: ". . . prudence dictates that this Commission defer its investigation until the FCC issues its Triennial Review Order to avoid possible inconsistencies between state law and federal unbundling policy."²⁹

Based upon the discussion of surviving state authority below, there is no need for the Commission to wait for the FCC to issue its Triennial Review Order before this Commission acts. Although the Triennial Review Order has been promised before February 20, 2003, there is no assurance that its provisions will take effect any time soon. As with previous FCC UNE orders, FCC mandates are frequently challenged in court, and must wind their way through the appellate process before any certainty attaches. Also, there is no legally recognized pronouncement that state authority over UNEs will be diminished by the anticipated Triennial Review Order, or that states will be precluded from setting limits and duties on the provision of

²⁹ Verizon's Reply Comments at p. 2.

UNEs. Finally, while some have predicted that the Triennial Review may eliminate certain UNEs (like UNE-Platform or switching), UNE loops may remain substantially unchanged, and any decision that the Commission makes now will be as germane and legitimate as one issued after the Triennial Review Order.

Verizon's concerns about possible conflicts with future federal law should be rejected. If federal unbundling rules do change, this case can then be dismissed or modified by further Commission order; if, on the other hand, the FCC does not change pertinent federal unbundling rules, then the Commission's prompt decision in this case can give the parties regulatory certainty sooner, rather than later.

State Authority.

The Commission derives its authority from either the Virginia Constitution or state statutes that do not contravene the Virginia Constitution.³⁰ The Constitution of Virginia assigns this Commission the power and duty

subject to such criteria and other
requirements as may be prescribed by law
. . . of regulating the rates, charges, and
services and, except as may be otherwise
authorized by this Constitution or by

³⁰ *VYVX of Virginia, Inc. v. Cassell*, 258 Va 276, 519 S.E.2d 124, 131 (1999); *City of Norfolk v. Virginia Electric & Power Co.*, 197 Va. 505, 514, 90 S.E.2d 140, 146 (1955); *Appalachian Power Co. v. John Stewart Walker, Inc.*, 214 Va. 524, 528, 201 S.E.2d 758, 762 (1974); see also *Commonwealth v. Old Dominion Power Co.*, 184 Va. 6, 11-12, 34 S.E.2d 364, 366, cert. denied, 326 U.S. 760 (1945); *City of Richmond v. Chesapeake & Potomac Telephone Co.*, 127 Va. 612, 619, 105 S.E. 127, 129 (1920).

general law, the facilities of . . .
telephone . . . companies.

The Commission shall in proceedings before it ensure that the interests of the consumers of the Commonwealth are represented, unless the General Assembly otherwise provides for representation of such interests.

The Commission shall have such other powers and duties not inconsistent with this Constitution as may be prescribed by law.
(Va. Const., art IX, § 2)

Prior to the 1996 Act, the Virginia General Assembly charged this Commission to take action with respect to the development of a competitive market for local telephone service in Virginia.³¹ Virginia Code § 56-265.4:4 C 1-3 (this subsection has since been deleted, although the rulemaking prescribed by the section has been completed) directed in 1995 for the Commission to promulgate rules necessary to "(i) promote and seek to assure the provision of competitive services to all classes of customers throughout all geographic areas of the Commonwealth by a variety of service providers; . . ."

The Commission complied by promulgating rules governing the offering of competitive local exchange telephone service ("Rules"), which are now codified at 20 VAC 5-400-180. These Rules protect the interests of wholesale as well as retail customers.

³¹ See UNE Rate Order, n.4.

Pertinent to the parties' interconnection arrangements
(which provide for CLEC orders of UNEs such as DS-1 UNE loops)
is 20 VAC 5-400-180 F 1:

Interconnection arrangements between local
exchange carriers shall make available . . .
service elements on an unbundled basis.

This portion of the Rule requires Verizon to fill Cavalier's
DS-1 loop order rather than forcing Cavalier to instead order
special access in order to receive substantially the same
service to its customers.³²

Also, pursuant to 20 VAC 5-400-180 I 3:

The incumbent local exchange companies shall
be designated as the carriers of last resort
in their current local serving areas until
such time as the Commission determines
otherwise.

The OGC reads the above-quoted subsection of the Rule as
imposing upon Verizon, as the carrier of last resort, the duty
to construct facilities to provision DS-1 UNE loops, to the
extent that Verizon is not relieved of such duty by preemption
of federal law.³³

Virginia Code § 56-35 provides that

The Commission shall have the power, and be
charged with the duty, of supervising,
regulating and controlling all public
service companies doing business in this

³² While the quoted rule literally imposes a reciprocal obligation on Cavalier, the OGC notes that such reciprocal enforcement of the rule is contrary to § 251 of the Act.

³³ See Staff Report at pp. 18 for discussion of "construction."

Commonwealth, in all matters relating to the performance of their public duties and their charges therefor, and of correcting abuses therein by such companies.

The OGC reads Va. Code § 56-35 as authorizing the Commission, in its discretion, to direct that any abuses found in the provisioning and charging of DS-1 UNE loops be corrected.³⁴ One abuse that may be found in the provisioning of DS-1 UNE loops is that Verizon's current provisioning practices are contrary to the pricing of the DS-1 UNE loop in the Commission's UNE Rate Order³⁵.

Pursuant to Va. Code § 56-234

It shall be the duty of every public utility to furnish reasonably adequate service and facilities at reasonable and just rates to any person, firm or corporation along its lines desiring same.

The term "service" is further defined by Va. Code § 56-233.

The term "*service*" is used in this chapter in its broadest and most inclusive sense and includes not only the use and quality of accommodations afforded consumers or patrons, but also any product or commodity furnished by any public utility and equipment, apparatus, appliances and facilities devoted to the purposes in which such utility is engaged and to the use and accommodation of the public. (Emphasis in original)

³⁴ Such correction of abuses may be ordered by injunction, pursuant to Va. Code § 12.1-13.

³⁵ See Staff Report at p. 40, finding 3.

These statutes quoted above as authorize this Commission to require Verizon to provide the service and facilities required to fill a CLEC's DS-1 UNE loop order regardless of the construction required. The service is to be provided at just and reasonable rates which is consistent with § 251(c)(2)(D) of the Act which requires the facilities to be interconnected "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory. . ." Verizon has already established in its merger proceeding (between Bell Atlantic and GTE South)³⁶ that its affordable rates are also just and reasonable rates. Presumably, the TELRIC-compliant UNE rates are also just and reasonable, as they were set by the UNE Rate Order prior to Verizon's representations in its later Merger Order that its rates were still just and reasonable.

Finally, the Commission is authorized by Va. Code § 56-247 as follows:

If upon investigation it shall be found that any regulation, measurement, practice, act or service of any public utility complained of is unjust, unreasonable, insufficient, preferential, unjustly discriminatory or otherwise in violation of law or if it be found that any service is inadequate or that any reasonable service cannot be obtained, the Commission may substitute therefor such other regulations, measurements, practices, service or acts and make such order respecting, and such changes in, such regulations, measurements, practices,

³⁶ See Order Approving Petition, issued November 29, 1999, Case No. PUC-1999-00100 ("Merger Order").

service or acts as shall be just and
reasonable.

This statute empowers this Commission to impose the remedies
suggested in the conclusion of the Staff Report.

Respectfully submitted,

The Staff of the
State Corporation Commission

By: _____
Counsel